BUDGET FORECASTER

FOR EXCEL

USER GUIDE

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1 Getting Started

About This User Guide

This guide contains information about how to the use the Budget Forecaster software program.

What Is Budget Forecaster?

Budget Forecaster is a revolutionary Microsoft® Excel-based Visual Basic Application (VBA) software program that allows you to manage your personal finances at the click of a mouse button. Simple to use, you can:

- Plan your budget, view budget reports and charts, and print budget-related reports.
- Create a Net Worth Statement by calculating your family's total assets and liabilities.
- Evaluate your family's financial health using Budget Forecaster's Financial Ratios feature.
- Determine your life insurance and retirement needs.

There's even a handy mortgage payment calculator you can use to determine monthly mortgage costs.

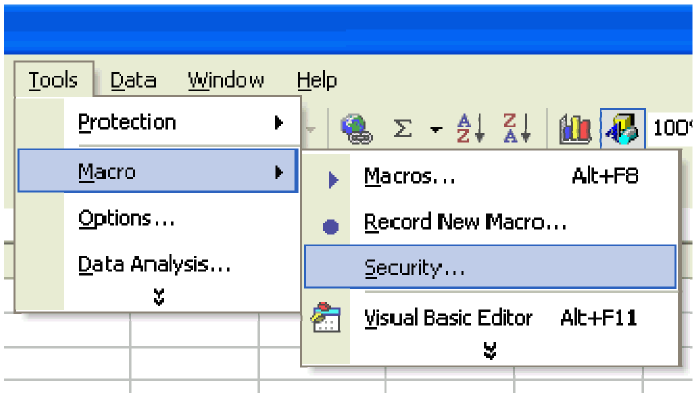
Included with Budget Forecaster is Forecaster Software's **Expense Tracker** software product. It is a personal expense-tracking tool that allows you to track where your money is going. You can view easily customizable expense reports, by day or week. At the end of the month, you can view expense information using colorful, easy-to-read pie charts. Information about how to use Expense Tracker is included in **Section 11 – Expense Tracker**.

PREPARING TO USE BUDGET FORECASTER

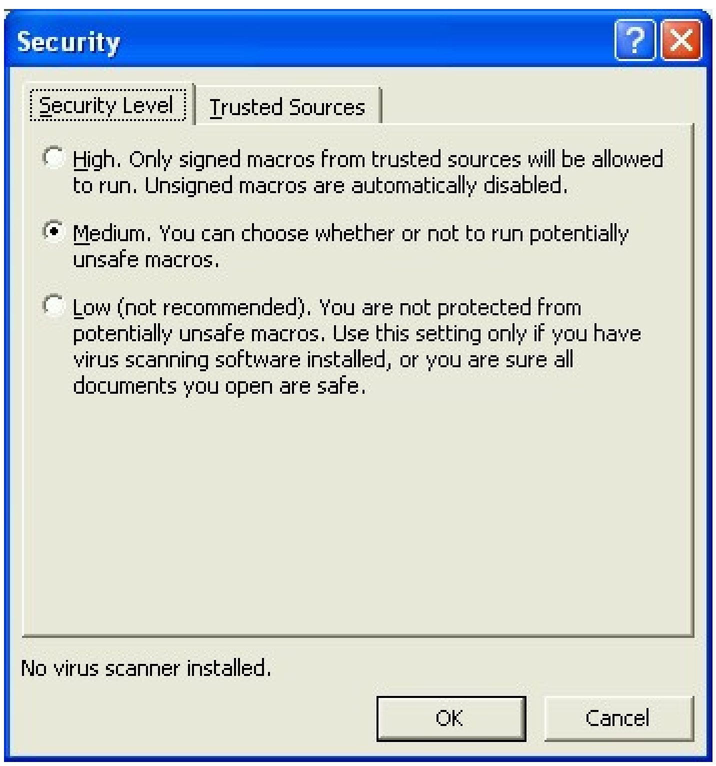
STEP 1: CHECK YOUR MACRO SECURITY LEVEL

To use Budget Forecaster with Microsoft Excel, the macro security setting in Excel must be set to **Medium** or **Low.** To determine if you need to change these settings:

1. In Excel, choose **Macro** from the **Tools** menu.



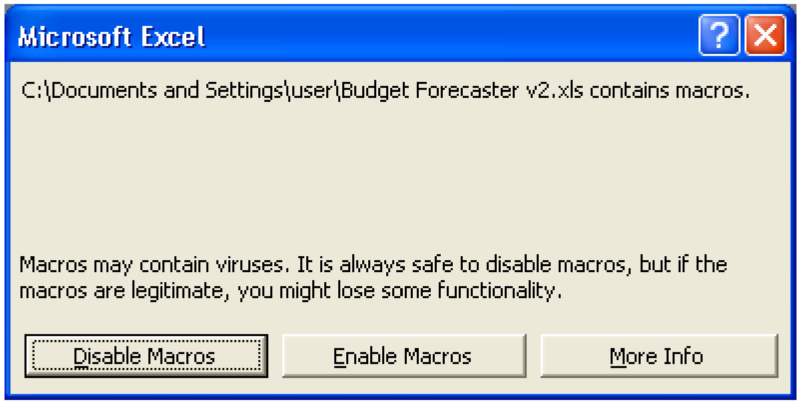
2. In the **Security Level** tab, note the security level that's currently selected.



Change the security level as needed by clicking the **Medium** or **Low** radio button.

NOTE: The following applies to full or standard versions of Budget Forecaster 2.0 only:

If you set the security level to **Medium**, a confirmation box appears each time you use Budget Forecaster. You must click the **Enable Macros** button. If you set the security level to **Low,** the Enable Macros confirmation button is not displayed when you log into Budget Forecaster (recommended).



Preparing to Use Budget Forecaster

Step 2: Setting Up Your Budget Forecaster Software

1. After purchasing the software, download the software when prompted. Save the **budgetforecasterv2.exe** file to your desktop or to a specific folder (note that you must create the folder).

2. Double click on the **budgetforecasterv2.exe** file and follow the prompts. Once installation is complete, you will find a **Budget Forecaster.xls** shortcut on your desktop.

3. Double click the **Budget Forecaster.xls** shortcut to open the program. As prompted, read the Forecaster Software Inc.'s disclaimer.

4. Upon closing the disclaimer, a welcome dialog box will display. Enter your name.

5. You're ready to use your Budget Forecaster software. From the toolbar displayed in the top left corner, make a selection from the Budget Forecaster pulldown menu.

2 Menu Selections

Click on the **Budget Forecaster** button located at the top left of the screen to display a menu containing all Budget Forecaster functions.

Menu selections include:

Home	Select this option to display the Budget Forecaster entry screen.
Plan Budget	Select this option to display the My Family Budget work page. You'll use this work page to set up and maintain your monthly budgets. See ***Section 3 - Your Budget*** for more information.
Reset Budget	Use this selection to remove current entries based on the month that you specify. See ***Section 3 – Your Budget*** for more information.
View Report: % Income	Select this option to view an **Expense to Total Incomes Ratio** report. This report shows individual budget items as the percentage of your total income. For example, to learn what percentage of your annual income that your mortgage payments comprise, you would select this report. See ***Section 4 – Your Income*** for more information.
View Report: % Expenses	Select this option to display an **Expense to Total Expenses** report that shows the percentage of estimated expenses versus actual expenses incurred based on information you've entered in your My Family Budget work page. See ***Section 5 – Your Expenses*** for more information.
View Chart: % Income	Select this option to view an **Expense to Total Incomes** chart. This chart graphically displays budget items as the percentage of your total income. For example, to learn what percentage of your total income that your cell phone bill comprises, you would select this report. See ***Section 4 – Your Income*** for more information.
View Chart: % Expenses	Select this option to display a chart that illustrates the percentage of estimated expenses versus actual expenses incurred based on information you've entered in your My Family Budget work page. See ***Section 5 – Your Expenses*** for more information.
Print Budget	Use this option to print the budget you created using the **Plan Budget** selection. You can print an entire budget, full-year budget or budget by month. See ***Section 3 – Your Budget*** for more information.
Print Report: % Income	Select this option to print an **Expense to Total Incomes Ratio** report. For instance, you could use this report to determine the

percentage of your annual income that was comprised of auto insurance payments. See ***Section 4 – Your Income*** for more information.

Print Report: % Expenses

Select this option to print an **Expense to Total Expenses** report. This report estimated expenses as compared to actual expenses for the full year. See ***Section 5 – Your Expenses*** for more information.

Net Worth Statement

Use this work page to determine your net worth. *Net worth* is defined as your total assets minus your total liabilities. See ***Section 6 – Creating a Net Worth Statement*** for more information.

Financial Ratios

Select this option to display the Financial Ratios work page. This page displays information about the following:

- Basic Liquidity - the number of months a household could meet current expenses using liquid assets (such as cash, checking, savings and certificates of deposit) without additional income.
- Debt-to-asset ratio – determines your liabilities (debts) compared to the value of your assets
- Debt payment to income ratio – the ability to make current payments.

See ***Section 7 – Reviewing Financial Ratios*** for more information.

Life Insurance Needs

Select this option to display the Life Insurance Needs work page. Use this work page to determine how much life insurance you need in order to protect your beneficiaries' financial security. See ***Section 8 – Determining Your Life Insurance Needs*** for more information.

Retirement Needs

Select this option to display the Retirement Needs work page. Use this work page to determine how much money you will need to save each month in order to meet your retirement goals. See ***Section 9 – Determining Your Retirement Needs*** for more information.

Calculator

Select this option to display an online calculator.

Mortgage Calculator

Use the Mortgage Calculator to find out your monthly mortgage payment based on principal, down payment, mortgage interest rate and terms (number of years) of the mortgage. See ***Section 10 – Using the Mortgage Calculator*** for more information.

About Budget Forecaster

Displays a dialog box which shows the version number of the Budget Forecaster software that you are using, as well as the website and email addresses for Forecaster Software.

Help

Click to display the Quick Help dialog box that contains information about the most frequently-used Budget Forecaster features. To display the *Budget Forecaster User Guide,* click the **More Help** button.

Exit Budget Forecaster

Click to exit the Budget Forecaster application.

3 Your Budget

PLANNING YOUR BUDGET

Establishing a monthly budget is the first step towards effective financial management. Budget Forecaster's Plan Budget feature lets you create and maintain your family's budget quickly and easily.

1 To display the Plan Budget work page, click **Budget Forecaster** in the top left corner, select **Plan Budget.** The My Family Budget Statement work page displays.

TIP You can change the name of this work page from the default (*My Family Budget Statement*) by clicking on the first cell in the name in the function field, directly above the name. Budget Forecaster also lets you change the names of some fields as displayed below:

BUDGET FORECASTER	My Family Budget Statement					
	Year 2006					
	Full Year			January		
-- Quick Plan Budget --	Estimated	Actual	Difference	Estimated	Actual	Difference
AFTER TAX INCOME	$94,128.00	$15,389.00	($78,739.00)	$7,844.00	$7,534.00	($310.00)
EXPENSE						
Housing						
Heating Cost	$158.00	$158.00	$0.00	$79.00	$79.00	$0.00
House & Garden Maintenance	$24.00	$12.00	$12.00	$12.00	$0.00	$12.00
House Improvement	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
House Security	$48.00	$48.00	$0.00	$24.00	$24.00	$0.00
House Insurance	$132.00	$132.00	$0.00	$66.00	$66.00	$0.00
House Supplies	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Mortgage/Rent	$4,688.00	$4,688.00	$0.00	$2,344.00	$2,344.00	$0.00
Telephone & DSL	$138.00	$138.00	$0.00	$69.00	$69.00	$0.00
Utilities	$76.00	$76.00	$0.00	$31.00	$31.00	$0.00
Water/Sewer	$65.00	$70.00	($5.00)	$43.00	$48.00	($5.00)
Total Housing	$5,329.00	$5,322.00	$7.00	$2,668.00	$2,661.00	$7.00
Transportation						
Auto Loan 1	$374.00	$374.00	$0.00	$187.00	$187.00	$0.00
Auto Loan 2	$442.00	$442.00	$0.00	$221.00	$221.00	$0.00
Auto Insurance	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Auto Gas	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Auto Maintenance	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Auto Cleaning	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Public Transportation	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Total Transportation	$816.00	$816.00	$0.00	$408.00	$408.00	$0.00
Living						
Hair Care	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Books & Magazines	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Cable / Satellite TV	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Cell Phone	$112.00	$134.00	($22.00)	$56.00	$78.00	($22.00)
Child Care	$642.00	$642.00	$0.00	$321.00	$321.00	$0.00

2. First, you need to enter **Income** information. From the **Quick Plan Budget** pulldown list on the left side of the work page, select **Enter Family Income.** The Annual After-Tax Income work sheet displays.

   Enter income information. Note that you can enter information only in the month-related income fields. You cannot change information in the **After-Tax Income** or **Annual** columns or **Total After Tax Income** rows. Budget Forecaster automatically calculates after-tax income and annual income totals.

   Here's a sample Annual After-Tax Income work page.

BUDGET FORECASTER

Annual After-Tax Income

After-Tax Income:	Annual	Jan	Feb	Mar	Apr	May	Jun
My Salary	**$42,000.00**	$3,500.00	$3,500.00	$3,500.00	$3,500.00	$3,500.00	$3,500.00
Spouse Salary	**$52,128.00**	$4,344.00	$4,344.00	$4,344.00	$4,344.00	$4,344.00	$4,344.00
My Bonus	**$0.00**	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Spouse Bonus	**$0.00**	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Interest Income	**$0.00**	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Investment Income	**$0.00**	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Income	**$0.00**	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Total After-Tax Income	$94,128.00	$7,844.00	$7,844.00	$7,844.00	$7,844.00	$7,844.00	$7,844.00

BACK TO BUDGET

3. When you've entered all income information, click the **Back to Budget** button.

4. Enter your **estimated expenses** for the selected month. From the **Quick Plan Budget** pulldown list, select **Enter <Month> Expense,** where **Month** is the month for which you want to add expenses.

5. The work page for the month displays. Enter all **estimated expenses**.

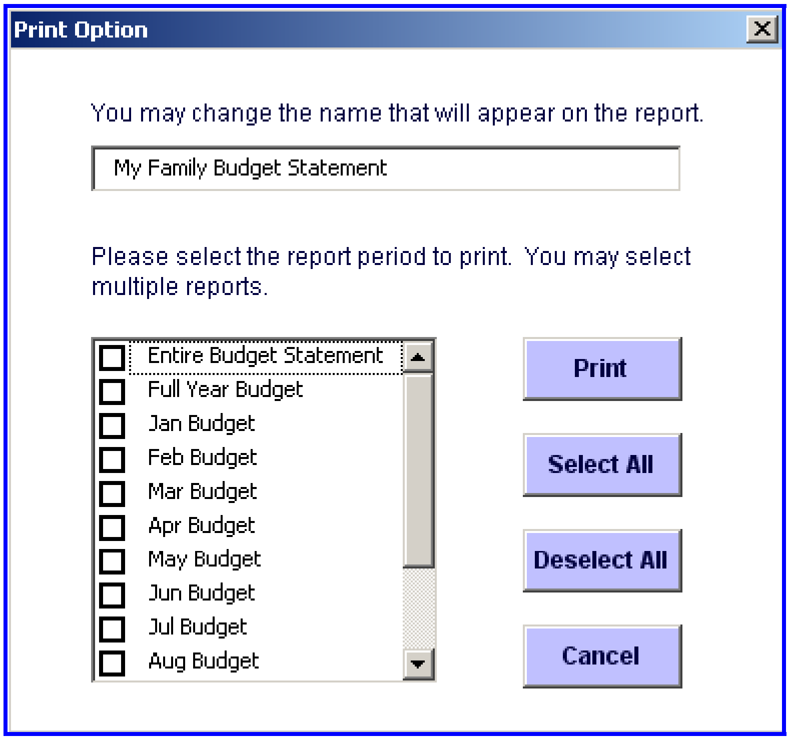
6. At the end of the month, replace the **estimated expenses** that you entered with your **actual expenses**, Budget Forecaster will use this information to calculate Net Worth (see ***Section 6***) and Financial Ratios (see ***Section 7***).

7. Repeat for each month throughout the year.

PRINTING YOUR BUDGET

1 To print your budget, click **Budget Forecaster** in the top left corner, select **Print Budget.** When the report is displayed, click the **Print** button at the top of the screen.

2. The Print Option dialog box displays.



If you want to change the report name, enter the new name in the field at the top of the screen.

Select the report(s) to be printed. If you want to print all the reports listed, click the **Select All** button and each report is selected.

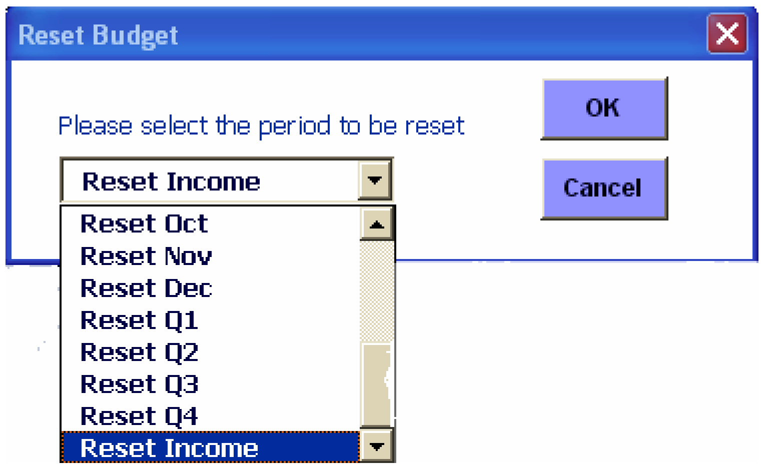
3. Click the **Print** button

Resetting Your Budget

When you reset your budget, you are clearing budget entries that are currently displayed on the My Family Budget Statement. You can reset budget entries by month, by quarter, or income.

1 To reset your budget, click **Budget Forecaster** in the top left corner, select **Reset Budget.** When the report is displayed, click the **Print** button at the top of the screen.

2. The Reset Budget dialog box displays. From the pulldown list, select a month or quarter to reset, or select **Reset Income** to remove the income information that is currently displayed.



3. Click **OK**. At the prompt, click **Yes.** A message displays indicating the information has been reset.

4 Your Income

View Report: % Income

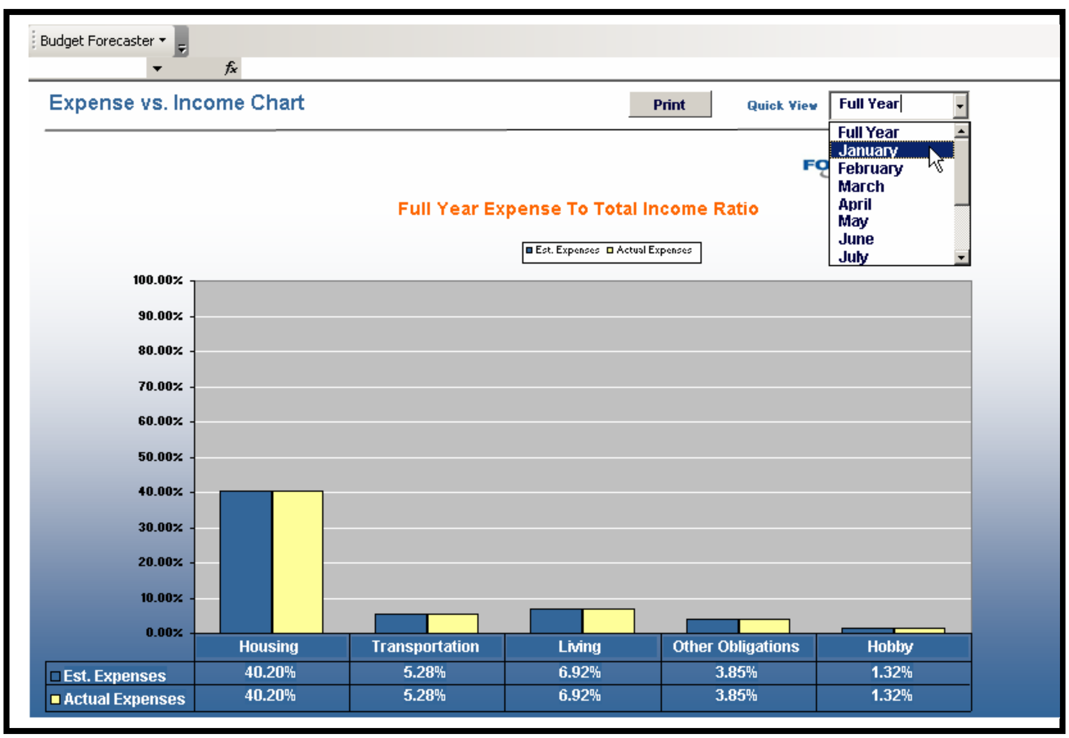
The **Expense to Total Incomes Ratio** report shows individual budget items as the percentage of your total income for the full year, as well as by month. The report shows expenses categorized by expense category (example: **Housing, Transportation, Living,** etc.). To view the report, click **Budget Forecaster** in the top left corner, select **View Report: % Income.** A report, like the one below, is displayed.

NOTE:

- This report is view-only; you cannot make changes to the contents of the report. To make changes to data displayed, you must edit the My Family Budget Statement work page (see ***Section 3 – Your Budget***) for more information.
- For full year reports, deficits are displayed for each month in which the deficit occurred. Deficits appear in parenthesis in red typeface. *Example:* **($555.00)**

View Chart: % Income

The **Expense vs. Income Chart** shows budget items by category (**Housing, Transportation, Living**, etc.) by month or full year. To view this chart, click **Budget Forecaster** in the top left corner, select **View Chart: % Income.** A chart, like this one, is displayed.



Note that this example displays information for a full-year. By using the **Quick View** pulldown list at the top right of the screen, you can select information only for the month that you select from the list.

PRINT REPORT % INCOME

The **Expense to Total Incomes Ratio** report comp shows individual budget items as the percentage of your total income. Example: This report would show the percentage of your total annual income that you spent on your mortgage annually, as well as a variety of household and personal expenses. The report shows expenses categorized by expense type (example: **Housing, Transportation, Living,** etc.).

To print the report, click **Budget Forecaster** in the top left corner, select **Print Report: % Income.** When the report is displayed, click the **Print** button at the top of the screen.

5 Your Expenses

VIEW REPORT: % EXPENSES

The **Expense to Total Expenses** report compares estimated expenses to actual expenses for the full year, as well as by month. The report shows expenses categorized by expense category (example: **Housing, Transportation, Living,** etc.). To view the report, click **Budget Forecaster** in the top left corner, select **View Report: % Expenses.** A report, like this one, is displayed.

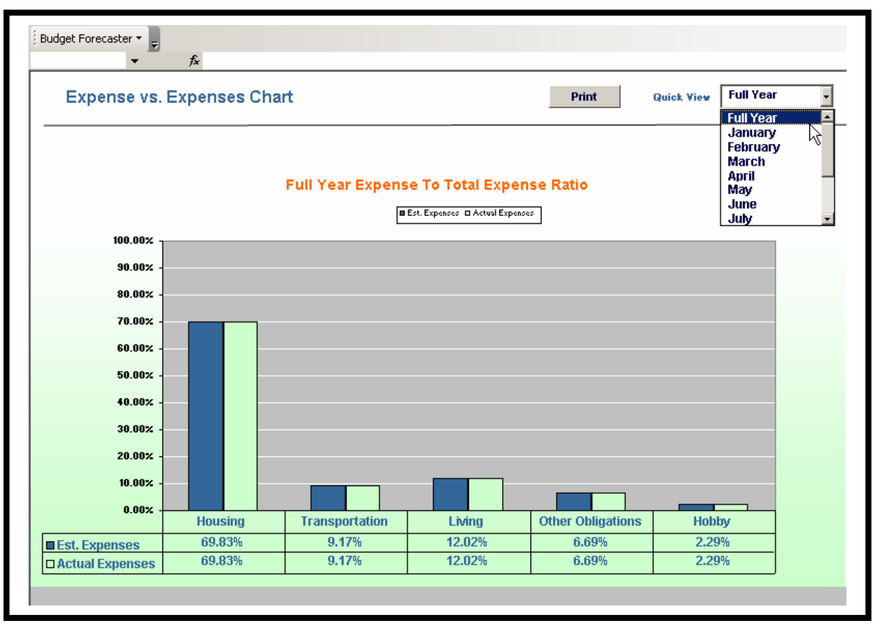
NOTE:

- This report is view-only; you cannot make changes to the contents of the report. To make changes to data displayed, you must edit the My Family Budget Statement work page (see ***Section 3 – Your Budget***) for more information.
- For full year reports, deficits are displayed for each month in which the deficit occurred. Deficits appear in parenthesis in red typeface. *Example:* **($555.00)**

VIEW CHART: % EXPENSES

Budget Forecaster's *View Chart* feature graphically compares estimated expenses to actual expenses by month or for the full year. The **Expense to Total Expenses** chart compares estimated expenses to actual expenses for the full year, as well as by month. The report shows expenses categorized by expense type (example: **Housing, Transportation, Living,** etc.).

To view the Expenses chart, click **Budget Forecaster** in the top left corner, select **View Chart: % Expenses.** A chart, like this one, is displayed.



Note that this example displays information for a full-year. By using the **Quick View** pulldown list at the top right of the screen, you can select information only for the month that you select from the list.

PRINT REPORT % EXPENSES

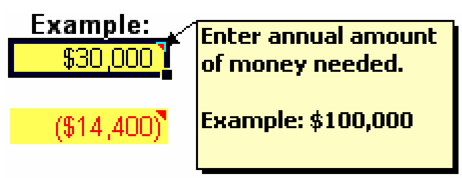
To print the report, click **Budget Forecaster** in the top left corner, select **Print Report: % Expense.** When the report is displayed, click the **Print** button at the top of the screen.

6 Creating a Net Worth Statement

Net worth is defined as your total assets minus your total liabilities. To access the Net Worth Statement work page, click **Budget Forecaster** in the top left corner, select **Net Worth Statement** from the Budget Forecaster pulldown menu.

NOTE: You can change the values that appear in any field with a yellow background. For more detail about a field, click the red corner of the field.

Here's an example:



Fields with blue backgrounds are automatically calculated by Budget Forecaster.

1 Note the various sections of the work page:

Liquid – Enter information for assets, such as cash, checking accounts, and savings accounts, which are easily accessible (or "liquid").

Short-Term – Enter short-term debts in this section.

Tangible – If you are a homeowner, enter the *appraised market value* of your home in the **Home** field. Enter market values of other property and automobiles in this section.

Long-Term - Enter outstanding balances in the fields in this section.

Investment – Enter investment assets as applicable.

NOTE: For all sections with **Other** fields, you can customize any of these fields by placing your cursor on the field and typing over the text with the new name.

2. To print this work page, click the **Print** button.

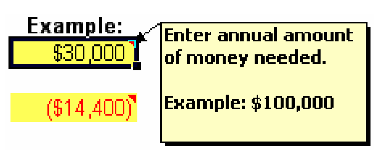
7 Reviewing Financial Ratios

Financial ratios are a great way to monitor your financial "health". Information displayed in the Financial Ratios work page is taken from the information you entered in your **Net Worth** work page (see ***Section 6 – Creating a Net Worth Statement***) and includes 1) **Basic Liquidity -** The information here shows the number of months a household could meet current expenses using liquid assets (such as cash, checking, savings and certificates of deposit) without additional income, 2) **Debt-to-Asset Ratio -** What are your liabilities (debts) compared to the value of your assets? 3) **Debt Payment to Income Ratio -** This is the annual debt payment divided by your annual income. This ratio indicates the ability to make current payments.

To access the Financial Ratios work page, click **Budget Forecaster** in the top left corner, select **Financial Ratios** from the Budget Forecaster pulldown menu. Follow the instructions for each field. To print this work page, click the **Print** button.

NOTE: You can change the values that appear in any field with a yellow background. For more detail about a field, click the red corner of the field.

Here's an example:



Fields with blue backgrounds are automatically calculated by Budget Forecaster.

8 Determining Your Life Insurance Needs

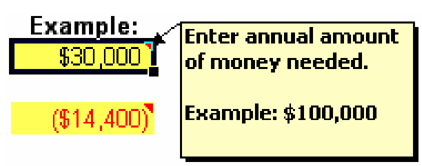
Life insurance is critical in protecting your loved ones in the event of your death. It’s important to establish how much life insurance you need so that you can protect your beneficiaries’ financial security.

By filling in the fields in Budget Forecaster’s *Life Insurance Needs* work page, you can learn how much life insurance that you will need based on your individual circumstances.

To access the Life Insurance Needs work page, click **Budget Forecaster** in the top left corner, select **Life Insurance Needs** from the Budget Forecaster pulldown menu.

NOTE: You can change the values that appear in any field with a yellow background. For more detail about a field, click the red corner of the field.

Here’s an example:



Fields with blue backgrounds are automatically calculated by Budget Forecaster.

1 Follow the instructions for each field, noting the following:

Line 2 – In the chart, locate the number of years that beneficiary income will be needed. Enter the associated factor in this field. For example, if your beneficiaries would require income for the 30 years, you would enter a factor of *21.22*.

2. To print this work page, click the **Print** button.

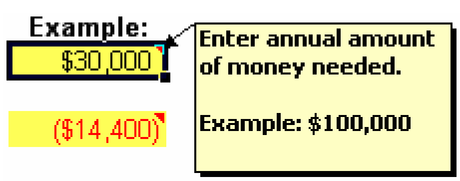
9 Determining Your Retirement Needs

In a single screen, Budget Forecaster lets you determine how much money you will need to save each month in order to meet your retirement goals.

To access the Retirement Needs work page, click **Budget Forecaster** in the top left corner, select **Retirement Needs** from the Budget Forecaster pulldown menu.

NOTE: You can change the values that appear in any field with a yellow background. For more detail about a field, click the red corner of the field.

Here's an example:



Fields with blue backgrounds are automatically calculated by Budget Forecaster.

1 Follow the instructions for each field in the work page, noting the following:

- **Line 5 –** In the chart, locate the age at which you plan to retire. Enter the factor for that age in the field.
- **Line 11 –** In the chart, locate the number of years closest to when you plan to retire. For example, if you plan to retire at age 70 and you are 40 years old, enter the factor (in this case, *4.32*) in the field.
- **Line 14** – In the chart, locate the number of years closest to when you plan to retire. Using the above example, if you plan to retire at age 70 and you are 40 years old, enter the factor (in this case, *66.44*).
- **Line 15** – Based on the information you've entered in all previous field on this screen, this is the amount of money that you need to save each in order to reach your retirement goal.

2. To print this work page, click the **Print** button.

10 Using the Mortgage Calculator

Use the Mortgage Calculator to find out your monthly mortgage payment based on principal, down payment, mortgage interest rate and terms (number of years) of the mortgage.

1. From the toolbar displayed in the top left corner, select **Mortgage Calculator** from the Budget Forecaster pulldown menu.

2. In the **Principal** field, enter the amount of the mortgage principal. Enter your **Down Payment**. This is the initial upfront portion of the payment you will make on your mortgage loan. Note that the **Mortgage** amount is automatically calculated.

3. Enter the **Interest Rate** for your mortgage. Enter the length of the loan (in years). Note that the **Months** amount is automatically calculated.

4. Click the **Calculate** button to display your **Monthly Payment**. Here's an example of a mortgage calculation.

11 Expense Tracker

What is Expense Tracker?

Expense Tracker is a convenient way to track personal, business and/or household expenses. Use Expense Tracker to view your expenditures by week or month and see not only expense amounts, but the percentage of each expenditure in relation to all of your expenses for that time period.

Preparing to Use expense Tracker

Setting Up Your Expense Tracker Software

1. After purchasing the software, download the software when prompted. Save the **expernsetrackerv1.exe** file to your desktop or to a specific folder (note that you must create the folder).

2. Double click on the **expernsetrackerv1.exe** file and follow the prompts. Once installation is complete, you will find an **Expense Tracker.xls** shortcut on your desktop.

3. Double click the **Expense Tracker.xls** shortcut to open the program. For software help instructions, visit **www.strativia.com.**

TRACKING WEEKLY EXPENSES

1. When you open Expense Tracker, the program automatically displays the **Weekly Expense Tracker** screen.

2. Enter your **name, address, city, state** and **Zip Code** in the applicable fields at the top of the screen.

3. Select a **year** from the applicable pull down menu as shown in the example below.

4. Select a **month** from the applicable pull down menu as shown in the example below:

5. Note that when you select the **month/year** combination, Expense Tracker automatically displays the selected month/day combination.

6. You're ready to enter expenses in the applicable field(s). Using the example above, if you had a **Breakfast** expense of **$.5.75** on **Thursday, May 5th**; you'd enter that value in the **Breakfast** row for the **Thu 5/5/05** column.

   Note you can change the **Other Expenses** field by placing your cursor on the field and typing over the text with your new Expense Item name.

   Enter all your expenses. Expense Tracker automatically calculates totals by day and expense item. Here's an example of expenses for a week.

   To move ahead to another week, click the applicable Week tab at the bottom of the screen.

7. To display a breakdown of your total expenses for the month, click the **Month Summary** tab. A breakdown, such as the one below, is displayed.

   The columns on the left side of the screen show expense items for the month. A **weekly total** shows how much you spent for each item per week, while a **percentage total** shows how much of that expense made up the total percentage of your weekly spending.

   The **pie chart** on the right side of the screen gives you a way to quickly identify spending trends. For instance, in the example above, groceries made up the largest expenditure for the month.